

## Message Text

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PAGE 01 TEGUCI 03224 282028Z

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ACTION ARA-10

INFO OCT-01 ISO-00 AGR-10 EB-07 AID-05 CIAE-00 INR-07

NSAE-00 L-03 /043 W

----- 102142

R 281725Z JUL 75

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 0737

INFO AMEMBASSY GUATEMALA

UNCLAS TEGUCIGALPA 3224

GUATEMALA FOR AGATT

E.O. 11652: N/A

TAGS: EAGR

SUBJ:

REF: (1) JULY 22 LTR SOWASH TO LAZAR

(2) TEGUCIGALPA 3153

1. PRESIDENT OF CENTRAL BANK, GUILLERMO BUESO ADVISED AMBASSADOR THAT COORDINATING COMMITTEE EMERGENCY PLAN FORWARDED TO ARA/LA/CEN IN REFERENCED LETTER AND SUMMARIZED REFTEL, HAS BEEN ADOPTED BY GOH. THE PLAN CALLS FOR AN INTERMEDIATE PLANTING OF CORN TO COMMENCE AT SOONEST POSSIBLE DATE AS REPLACEMENT FOR FAILED FIRST CROP DUE FOR HARVEST IN AUGUST.

2. BUESO STATES THAT EMERGENCY PLAN PRESENTS OPTIMISTIC VIEW OF ITS OWN POSSIBILITY FOR SUCCESS. ACTUAL NEEDS IN FIRST HALF 1976 COULD BE DOUBLED IF EMERGENCY PROGRAM FAILS. SECOND, CORN IMPORTS FOR CURRENT DEMAND WILL BE NECESSARY IN SEPTEMBER, HOPEFULLY WITH USG PL 480 FINANCING. FINALLY, BUESO NOTES CONCURRENT ECONOMIC EFFECTS OF CROP FAILURE: (A) NECESSITY TO PLACE OFFICIAL PURCHASE PRICE ABOVE SUPPORT PRICE IN NICARAGUA AS PRODUCTION INCENTIVE AND TO AVOID ILLEGAL EXPORTS MEANS (B) HIGHER INTERNAL PRICES AT TIME OF LOW RURAL AND UNCLASSIFIED

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PAGE 02 TEGUCI 03224 282028Z

PERSONAL INCOMES; (C) LOSS OF NORMAL CORN EXPORT

EARNINGS AND PAYMENT FOR IMPORTS; (D) DIRE NEED FOR RURAL  
EMPLOYMENT PROGRAMS (WHICH HAVE BUDGETARY COST) TO  
BOLSTER INCOME AND AVOID LOSS OF PRODUCTIVE LABOR.

3. COUNTRY TEAM, ESPECIALLY SINCE AMBASSADOR AND AID  
DIRECTOR HAVE COMPLETED FIELD SURVEY THIS WEEK,  
BELIEVES SITUATION IS NO LESS SERIOUS THAN A DISASTER,  
ALTHOUGH FINAL CROP DATA WILL NOT BE AVAILABLE BEFORE  
SECOND HALF OF AUGUST.  
SANCHEZ

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CROP DESTRUCTION, PRODUCTION, CORN, DROUGHTS, EMERGENCY PLANNING  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975TEGUCI03224  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750260-0541  
**From:** TEGUCIGALPA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t19750714/aaaaanaf.tel  
**Line Count:** 71  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 TEGUCIGALPA 3153  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hartledg  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 JAN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 JAN 2003 by ThomasVJ>; APPROVED <30 JAN 2004 by hartledg>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** EAGR, HO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006